

COOK, YANCEY, KING & GALLOWAY

A PROFESSIONAL LAW CORPORATION

333 TEXAS STREET, SUITE 1700

POST OFFICE BOX 22260

SHREVEPORT, LOUISIANA 71120-2260

www.cykg.com

J. William Fleming

**Writer's Direct
(318) 227-7724
fleming@cykg.com**

August 7, 2006

TELEPHONE (318) 221-6277

TELECOPIER (318) 227-7850

When calling relative to this
matter refer to No. 1374.

Honorable James H. Welsh
Commissioner of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

**RE: Bodcaw Sand of the Cotton Valley Formation
Cotton Valley Formation, Reservoir A
Longwood Field
Caddo Parish, Louisiana**

APPLICATION FOR PUBLIC HEARING

Dear Sir:

Sulphur River Exploration, Inc. hereby makes application pursuant to the revised rules of procedure for a public hearing to consider evidence relating to the following matters pertaining to the Bodcaw Sand of the Cotton Valley Formation and the Cotton Valley Formation, Reservoir A, in the Longwood Field, Caddo Parish, Louisiana:

1. To dissolve the Bodcaw Sand of the Cotton Valley Formation unit designated BOD RA SUL comprising all of Section 19, Township 19 North, Range 15 West, Caddo Parish, Louisiana, as shown outlined on the plat attached hereto and made a part hereof;
2. To establish three additional drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, in the Longwood Field, Caddo Parish, Louisiana, to be designated CV RA SUJJ, CV RA SUKK and CV RA SULL, as shown outlined on the plat attached hereto and made a part hereof;
3. To redefine the Cotton Valley Formation, Reservoir A, in the Longwood Field, INsofar AS proposed CV RA SUJJ, CV RA SUKK and CV RA SULL are concerned, as that gas and condensate bearing zone encountered between the depths of 8212 feet and 9640 feet (electric log measurements) in the Sulphur River

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Exploration, Inc. - Anthony FPC 6 No. 1 Well located in the Northwest Quarter of Section 6, Township 18 North, Range 15 West, Caddo Parish, Louisiana.

4. To force pool and integrate all of the separately owned tracts, mineral leases and other property interests located within the proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation;
5. To designate the Sulphur River Exploration, Inc. - Leona M. Johnson 21 No. 1 Well as the unit well for CV RA SUKK, and to designate Sulphur River Exploration, Inc. as operator of said unit.
6. To extend the field rules established by Office of Conservation Order No. 123-A-2 to the additional units for the Cotton Valley Formation, Reservoir A, in the Longwood Field, except to the extent inconsistent herewith;
7. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

The Cotton Valley Formation, Reservoir A, in the Longwood. Field, Caddo Parish, Louisiana, was defined in Office of Conservation Order No. 123-A-2, effective September 20, 1978, and is to be redefined INsofar AS proposed CV RA SUJJ, CV RA SUKK and CV RA SULL are concerned as that gas and condensate bearing zone encountered between the depths of 8212 feet and 9640 feet (electric log measurements) in the Sulphur River Exploration, Inc. - Anthony FPC 6 No. 1 Well located in the Northwest Quarter of Section 6, Township 18 North, Range 15 West, Caddo Parish, Louisiana.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party from Mr. Craig Barclay, 522 Dumbarton Drive, Shreveport, Louisiana 71106; telephone number (318) 869-2223.

A Pre-Application Conference was held in this matter on August 4, 2006. Those who attended the conference are identified on the attached list. Persons appearing on behalf of Sulphur River Exploration, Inc. made presentations of basic data supporting the Applicant's proposal. There were many questions asked by those in attendance at the conference, all of which seem to have been answered. There was no stated opposition to the proposed unitization plan.

Persons receiving this "Application for Public Hearing" are advised that this letter serves as the formal request directed to the Commissioner of Conservation of the State of Louisiana asking that a public hearing be set. This letter covers the same subject matter that was addressed in the Pre-Application

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Notice letter dated July 7, 2006, which each person receiving this letter received previously. There is no need for anyone receiving this letter to take any specific action. You are not required to contact the undersigned. Once the public hearing is set by the Commissioner of Conservation you will receive a written notice stating the date, time and location of the hearing which will be held in Baton Rouge, Louisiana, in approximately six weeks. You may attend the public hearing but you are not required to do so.

The list which is attached to the copy of this letter being mailed to the Office of Conservation includes the names of all Interested Owners, Represented Parties and Interested Parties known to Applicant after a diligent search. A copy of this notice, with plat attached, is being sent to each party on the list. Pursuant to Office of Conservation regulations, the list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation; however, the list of parties will be provided to any person requesting a copy of it. The application fee is enclosed.

Yours very truly,

COOK, YANCEY, KING & GALLOWAY



J. William Fleming

jwf:s

Enclosures

cc: James C. Broussard, District Manager
Interested Owners, Represented
Parties and Interested Parties
All Attendees at the Pre-Application
Conference identified on the attached list
Mr. Gary Garrison
Mr. Keith McCullough
Mr. Craig Barclay

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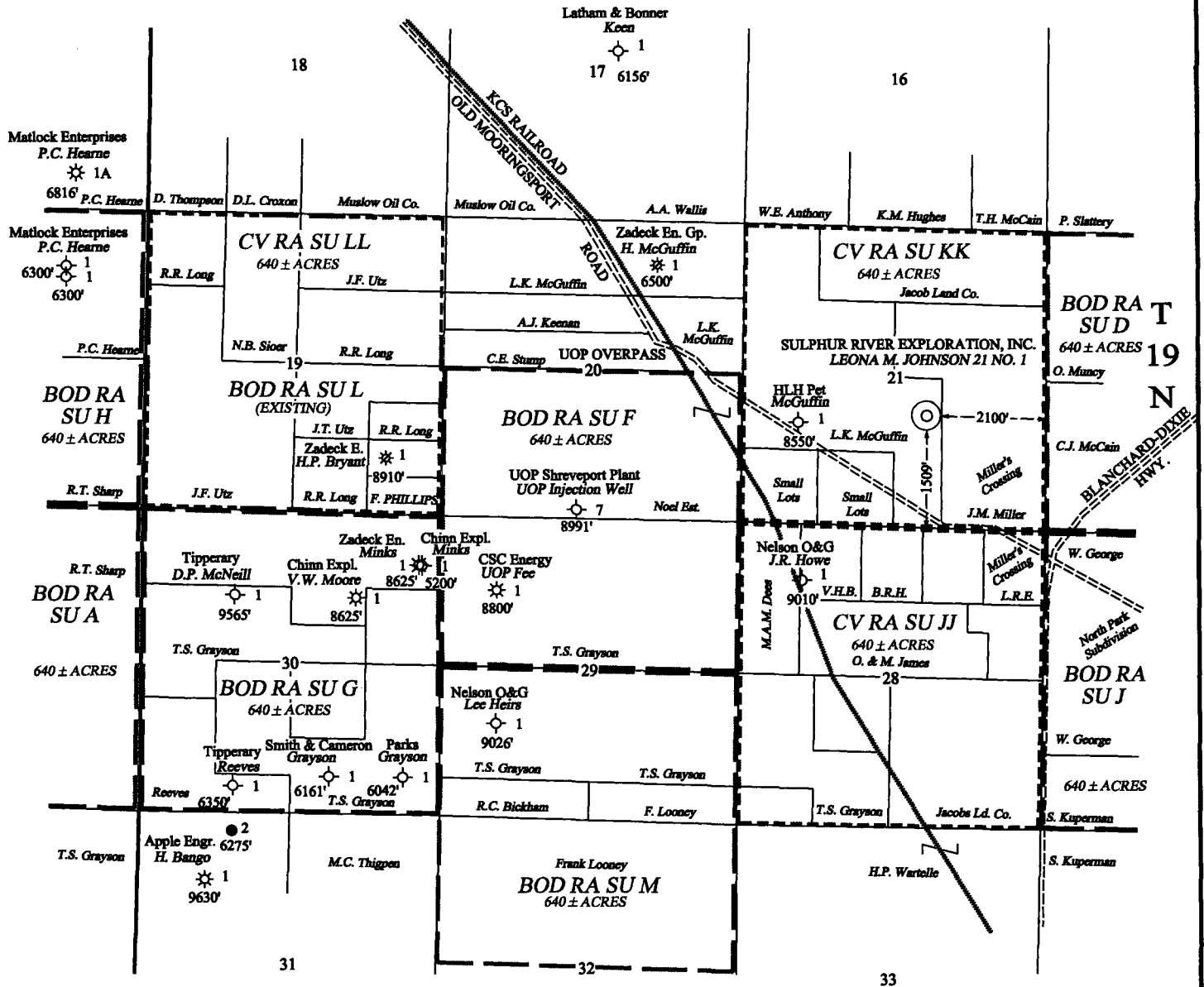







EXHIBIT NO. 1

DOCKET NO. _____

SULPHUR RIVER EXPLORATION, INC. DALLAS, TEXAS

LONGWOOD FIELD CADDO PARISH, LOUISIANA

PROPOSED COTTON VALLEY RESERVOIR A SAND UNITS

- | | | | |
|---|--------------------------------|---|---------------------------------------|
|  | :PROPOSED ALTERNATE UNIT WELL |  | :EXISTING BODCAW RA SAND UNITS |
|  | :EXISTING ALTERNATE UNIT WELLS |  | :PROPOSED COTTON VALLEY RA SAND UNITS |
|  | :EXISTING UNIT WELLS | | |



NOTE: SHALLOW WELLS NOT SHOWN.